UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF TEXAS CORPUS CHRISTI DIVISION

SANDPIPER CONDOMINIUM COUNCIL)	CASE NO: 2:18-CV-00414
OF CO-OWNERS, INC.,)	CIVIL
Plaintiff,)	
)	Corpus Christi, Texas
vs.)	
)	Wednesday, June 26, 2019
LEXINGTON INSURANCE COMPANY,)	
)	(11:35 a.m. to 12:25 p.m.)
Defendant.)	

PRE-MOTION CONFERENCE

BEFORE THE HONORABLE NELVA GONZALES RAMOS, UNITED STATES DISTRICT JUDGE

APPEARANCES: SEE PAGE 2

Court Recorder: Genay Rogan

Clerk: Brandy Cortez

Court Security Officer: Adrian Perez

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Corpus Christi, TX 78480-8668

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1 Corpus Christi, Texas; Wednesday, June 26, 2019; 11:35 a.m. 2 (Call to order) 3 THE COURT: Court calls Cause Number 2:18-cv-414, Sandpiper Condominium Council versus Lexington Insurance 4 5 Company. And I apologize for the wait, counsel. I had a bunch of sentencings this morning that ran over. So if the 6 7 Plaintiffs will announce for the record? 8 MR. CHRISS: William Chriss and Katherine Snapka for the Plaintiff, Sandpiper Condominium Council of Owners. 10 THE COURT: Okay. And the Defendant appearing by 11 phone, Mr. Dennis, correct? MR. DENNIS: Yes, James Dennis for Lexington 12 13 Insurance Company. 14 THE COURT: All right. And then, Mr. McKinney, you're appearing. I know you have filed a motion to quash for 15 16 a third party. I'm not sure, maybe since you're on now we can 17 address that. I don't know if there's been a response on that 18 But anyway let's proceed. This was a -- set as a pre-19 motion conference because the Plaintiff had requested some time 20 from the Court regarding maybe a motion to compel and so I'm 21 going to let Mr. Chriss proceed. 22 MR. CHRISS: Yes, your Honor. I'm not sure we need 23 Mr. McKinney because it's my understanding that we actually 24 agreed to resolve the motion to quash that he filed for a

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nonparty.

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              THE COURT: Okay.
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              MR. CHRISS: So we might want to start with that.
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              THE COURT:
                          Okay. So, Mr. Dennis, anything on that?
              MR. DENNIS:
                           Yes, your Honor.
                                              This is James Dennis
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    for Lexington.
                    I've spoken with Mr. McKinney and we have
    reached a resolution of his issue with regard to the subpoena.
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    And I believe he will tell you that they are going to withdraw
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    their motion.
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              THE COURT:
                         Is that right, Mr. McKinney?
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              MR. MCKINNEY: Yes, Judge. We've had a chance to
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    resolve the concerns and I think the agreement is basically
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    that I'm going to provide them with a written outline of what
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    the -- our requested retainer is for, and they will forward it
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    and we will begin work immediately. And they've also provided
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    a better outline in response to my objections to the
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    generalness of the subpoena and we'll begin working with the --
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    with a new outline that Ms. McGonagall (sic) has provided us.
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              THE COURT: Okay, so it sounds like that's resolved.
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    I'm going to terminate that motion then, okay, Mr. McKinney?
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              MR. MCKINNEY: Yes, Judge, thank you.
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              THE COURT: All right. And so you want to get off
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    the phone now or do you want to --
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              MR. MCKINNEY: I would appreciate it.
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              THE COURT: Or do you want to stay and listen but
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    you're -- okay, thank you, you can be excused if you'd like.
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1 MR. MCKINNEY: Thank you, Judge, I appreciate it.

(Mr. McKinney excused)

THE COURT: Okay, Mr. Chriss?

MR. CHRISS: Yes, your Honor. In accordance with the Court's standing order and the initial pretrial conference order scheduling order the Court entered, we just want permission to file two motions. One is motion to compel answers to interrogatories and the other is a motion for protective order and to quash with respect to three subpoenas of corporate officers or individuals who are part of my client, the condominium council. We've already filed objections to the subpoenas. We're going through documents and agreed to or were going to produce some documents in response to -- or to supplement our responses to request for documents, request for production under Rule 34. But what happened in the case is -- well, we can just take them one at a time.

The motion to compel's very simple. At the initial pretrial conference, Lexington demanded that we answer their interrogatories by giving them specific information about everything that was damaged and how much it cost. We did that to the penny in accordance with the Court's order. When we asked them to do the same thing, they refused to do it. And I've asked them four times and they refused four times. And they're entitled to know what we say the damages are; we're entitled to know what they say the damages are. That's all

year ago where they said that once we provided them with

- 1 to go ahead and answer the interrogatory. I'm simply asking 2 for the same courtesy from the other side. The initial 3 disclosures tell you who you're going to rely on to prove your 4 case. 5 THE COURT: Right. So I would -- I mean, this interrogatory number five is a little bit different than what 6 7 the initial disclosures require, I mean, because it could capture more people. It's my understanding defense is saying 8 9 there's not any more people. But it is a little bit different, Mr. Dennis, right? 10 11 MR. DENNIS: It's arguably worded differently, your 12 Honor, but I don't think it captures any more people. 13 THE COURT: Okay, well, how many people are we 14 talking about? Because would it be that big a deal to just put 15 them down as an answer? 16 MR. DENNIS: Here's what -- your Honor, we probably 17 already spent more time on this than it's worth. 18 THE COURT: Yes. 19 MR. DENNIS: I will go back to the initial 20 disclosures. If there's anybody else that we would identify, 21 we'll send the names. 22 THE COURT: Okay. So how many people are we talking 23
 - about in your initial disclosures, though?
- 24 MR. DENNIS: I'd have to pull it up, your Honor.
- 25 Okay, well, I tell you what, just make it

of documents that have been produced in support of those.

- 1 in short, the document request is extremely overbroad, it asks
- 2 | for information that we don't even necessarily have yet, and
- 3 | shouldn't -- I mean, we shouldn't be obligated to answer this
- 4 type of broad interrogatory basically saying, tell me all about
- 5 your case, tell me all about your defenses, tell me all about
- 6 your issues, and tell me how it all works, which is basically
- 7 | what this interrogatory is.
- 8 THE COURT: Okay. Mr. Chriss?
- 9 MR. CHRISS: That's not what the interrogatory asks,
- 10 Judge. It simply asked how the occurrences and damages
- 11 (indisc.) the basis of this suit occurred and what their claim
- 12 or contention is with respect to any cause or contributing
- 13 cause of those damages.
- 14 THE COURT: Yeah, I really don't see that as being
- 15 overbroad, Mr. Dennis.
- 16 MR. DENNIS: Well, your Honor, for instance, one of
- 17 | the large items that has been claimed in this matter is that
- 18 Lexington has to pay to fix or replace every exterior window
- 19 and sliding door on the building. Now, during discovery, one
- 20 of the things that we found out is that many of the issues that
- 21 | have been complained of that were allegedly caused by Harvey
- 22 have preexisted at that building for many years. Now,
- 23 obviously, you know, the documents in support of that and those
- 24 types of items are not something that we would have known
- 25 | absent discovery in this case and which we will not have full

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    information on until discovery --
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              THE COURT: Okay, but --
              MR. DENNIS: -- is concluded.
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              THE COURT: -- you know you're going to make that
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    contention, right, that there was preexisting damage, right?
    That's what it sounds like.
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              MR. DENNIS: Yes.
              THE COURT: Okay, then you would say that, right?
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              MR. DENNIS: That would certainly be an answer as of
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    today but it would certainly not be a complete answer --
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              THE COURT: Well, you --
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              MR. DENNIS: -- and if my client --
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              THE COURT: -- need to just answer as of today,
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    right, what you know today, what your contentions are, what
    your claims are, right? You're supposed to do that anyway
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16
    under the rules. You may not know --
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              MR. DENNIS: Well, --
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              THE COURT: -- everything but what you do know, you
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    answer, right? So remember when you were pressing --
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              MR. DENNIS: Yes.
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              THE COURT: -- Mr. Chriss the other day when we were
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    here on a discovery matter and we kept -- and then I started
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    pressing him, too, to get me some information? Okay, that --
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    I'm starting to feel that that's what you're going to make me
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    do to you now.
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1 MR. DENNIS: Well, your Honor, the two situations are 2 not parallel. 3 THE COURT: No, well, --4 MR. DENNIS: The issue that I pressed --5 THE COURT: I'm sorry, let's move on. Why -- you 6 need to respond to that interrogatory number six. What are 7 your contentions, of preexisting damage or whatever it may be, 8 what's wrong with responding like that? 9 MR. DENNIS: It is premature, your Honor, because 10 what's going to happen is that if I respond today and then 11 Mr. Chriss deposes my client 60 days or 45 days from now, then 12 I'm going to supplement my response to this interrogatory at 13 some time in the future, and then the testimony from my client 14 at that point will not be accurate. 15 THE COURT: Oh, my goodness. I think you have this 16 all wrong. You need to respond what you know when you're 17 answering that interrogatory. Things may change and then you 18 supplement. Is that not the way you do --19 MR. DENNIS: Yes, your Honor. 20 THE COURT: Okay. 21 MR. DENNIS: Yes, your Honor, obviously we have to That's --22 supplement. 23 THE COURT: It's not premature. 24 MR. DENNIS: -- no question about that. 25 THE COURT: How can it be premature? You know what

- 1 your claims are right now, at least the one of preexisting
 2 damage, correct?
- 3 MR. DENNIS: Yes, your Honor.
- 4 THE COURT: Okay, answer the question, all right?
- 5 MR. DENNIS: Yes, your Honor.
- 6 THE COURT: All right, let's move on to what's next.
- 7 MR. CHRISS: He --
- 8 MR. DENNIS: Number nine.
- 9 **THE COURT:** Okay.

- MR. CHRISS: Number nine is the one that counsel has identified. He identified these interrogatories, Judge. The ones that I want answered include number nine, but I also want
- 14 12. I had identified those to counsel during our conference.

number eight answered and number ten and number 11 and number

- 15 And so number seven asks if you contend you're not -- it's the
- 16 same, it's basically another version of the same inquiry. "If
- 17 you contend you're not liable for the damages or costs suffered
- 18 by the Plaintiff, state why."
- 19 **THE COURT:** How about I do this? At least on the
- 20 | contention ones, now knowing how the Court is -- would rule on
- 21 those, Mr. Dennis, why don't you attempt to answer them? And
- 22 | we can certainly reconvene or the Plaintiffs can file their
- 23 motion to compel if you all can't agree on that. Or but if
- 24 | they're related to the -- or same type of question, what's the
- 25 | contention, what's your claim, and you weren't willing to

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    answer it looks like just from looking at interrogatory number
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    six, I've told you now answer the question, can you go back and
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    review and now that you know how the Court may rule on these
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    matters?
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              MR. DENNIS: Yes, your Honor.
              THE COURT: Which would cover -- which one are the
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    contention interrogatories then?
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              MR. CHRISS: Those would cover seven, eight, ten, 11,
 9
    and 12.
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              THE COURT: Okay.
              MR. CHRISS: And that just leaves number nine then,
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    your Honor, which just asks --
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              MR. DENNIS: (Indisc.)
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              MR. CHRISS: -- if they have any information
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    pertaining to character, reputation, or credibility of any
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    person who is a party to this case or who has been identified
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    by a party as having knowledge of relevant facts. It's a
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    standard interrogatory that just so that we don't get surprised
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    somebody -- where the other side comes in and goes, ah-ha,
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    well, you know, I'm going to wait until the day of trial and
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    I'm going to impeach your witness with the fact that whatever.
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              THE COURT: Okay, Mr. Dennis, you want to address
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    number nine?
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MR. DENNIS: Yes, your Honor. The first part of the

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- 1 party to the case. Now, you know, the Sandpiper is a
- 2 | corporation so there -- I'm not aware of any possible
- 3 information that could relate to the character of the Sandpiper
- 4 so I don't think -- you know, that may be a standard
- 5 interrogatory in a different type of case, but not to this one.
- 6 Secondly, with regard to the remainder of it where they ask
- 7 about anybody who has been identified as having knowledge of
- 8 | the facts relevant to the subject matter of the litigation, the
- 9 Plaintiff has identified 163 people in their initial
- 10 disclosure. Now, at this point, you know, I don't have
- 11 | information of that type with regard to any of them, --
- 12 **THE COURT:** Okay, can --
- MR. DENNIS: -- but I don't think --
- 14 **THE COURT:** Then you say that, right? And if
- 15 anything comes along, especially as you're getting closer to
- 16 trial, you supplement that. If you don't have any information
- 17 on them, you say you don't have any on them on any of the
- 18 parties. If something comes up, because the Plaintiffs don't
- 19 | want to be surprised at trial with some of this evidence that
- 20 may come in, you would supplement, right?
- 21 MR. DENNIS: Normally, your Honor, that would be
- 22 | correct if we had a scope of the folks who are going to show up
- 23 at trial. I don't think that anybody seriously contemplates
- 24 bringing 163 witnesses to trial.
- 25 **THE COURT:** Okay, that's a different issue than what

- 1 this interrogatory number nine asks. If you don't have
- 2 anything on anyone or know anything at all, you would answer
- 3 that, right? And if something comes up on one of these people,
- 4 then you would supplement it. Now, you all want to talk about
- 5 | who are we really talking about here, I mean, we can do that, I
- 6 guess. Mr. Chriss, do you want to address that?
- 7 MR. CHRISS: Well, Judge, I don't -- I'm hoping I
- 8 | won't have to call 163 people as witnesses. I'm hoping that it
- 9 | won't take that long to try this case. I don't know if I'm
- 10 going to have to call every contractor and subcontractor who
- 11 did work on Sandpiper. There's been \$10 million worth of work
- 12 | done to Sandpiper and I don't know if I'm going to have to call
- 13 | every one of those people to testify that their costs are
- 14 reasonable and necessary. I just don't know. I don't know.
- 15 What I do know is that I don't want to be surprised.
- 16 **THE COURT:** Yeah.
- 17 MR. CHRISS: That's all I know.
- 18 **THE COURT:** I think interrogatory number nine needs
- 19 to be responded to by the defense so -- if you don't have
- 20 anything, you just say I don't know anything. You know, you've
- 21 been a lawyer long enough, things come up on different
- 22 | witnesses as you're coming up through trial. And if something
- 23 like that comes up regarding character reputation or whether
- 24 | they're credible or not that you -- it's going to come in
- 25 during the trial, you need to let the other side know. That's

1 | what that's about.

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Now, in terms of the other contention interrogatories, what Mr. Chriss mentioned were interrogatories seven, eight, ten, and 11, it's my understanding you're going to go back and look at those, Mr. Dennis, see if you can respond. When you do respond, if Mr. Chriss feels he still needs to file his motion to compel, then you can do that, Mr. Chriss. And then I'll -- what we'll usually do is do a short turnaround on any response and then we have a hearing on it. Mr. Chriss?

MR. CHRISS: Thank you, your Honor. The only other issue that I have is with respect to -- is a motion for protective order that really has two components. The first -and both of them are addressed in my brief letter to the Court. The first is on the subject of privilege logs. We have been demanded repeatedly to produce more and more privilege logs. And we have produced in essentially something like over 200 pages of privilege logs, and that's because of the broadness of the Defendant's request for documents. And I know that courts in general don't like discovery disputes; they have many more things to do. And so I really tried hard to avoid being here today. I've tried to be as agreeable as possible. When we serve dour request for documents on the Defendant, the response we got was, we're not going to do privilege logs for anything that happened after the lawsuit was filed. And so my -- all I

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    want is equal treatment, again. All I want is equal treatment.
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    I wish they had told me that before they demanded --
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              THE COURT: But --
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              MR. CHRISS: -- that I produce these (indisc.)
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              THE COURT: I know, but I don't think either side can
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    just take that position, anything after "X" date is, you know,
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    privileged or whatever it may be, because that's not
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    necessarily so, right?
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              MR. CHRISS: No, that's not necessarily --
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              THE COURT: Yes.
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              MR. CHRISS: -- not anything, your Honor, --
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              THE COURT: Right.
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              MR. CHRISS: -- certainly not. But I'm talking about
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    proportionality. What I'm talking about is that under the
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    Federal rules, discovery has to be proportional. And there's -
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    - I agree, there's no need for us to produce privilege logs for
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    materials that have been generated once the lawsuit was filed.
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    I mean, otherwise, every time I make a note on a file folder, I
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    got to Xerox it and put it on the privilege logs. That doesn't
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    make any sense. All I'm asking is for the same protection that
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    counsel has arrogated to himself in response to my request for
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    (indisc.)
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              THE COURT: Okay, let me hear from Mr. Dennis on that
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    then.
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Yes, your Honor.

This issue is really

MR. DENNIS:

1 not about privilege logs per se. This issue is the issue that 2 we identified in our letter to the Court and that we have spoken to Mr. Chriss about, which is that Plaintiff's position 3 is that every document of any relevance to this matter among 4 5 the Sandpiper board of directors, the unit owners, and their 6 managing agent is attorney work product privileged. And they 7 put all those things on a log and the log gives you the date, 8 the document, no substance of it, and the privilege assertion 9 is simply work produce. And as we discussed in our letter, 10 that just can't possibly be right. There are obviously 11 documents created after March 8th of 2018, many of them have 12 been produced already by Mr. Chriss which are not privileged 13 which are relevant to the action. And so our position is that 14 the documents -- there cannot be just a blanket statement that 15 as of March 8th, 2018, all relevant documents after that date 16 are work product privileged. That can't be right. But that's 17 the position that Sandpiper has taken. And the privilege log 18 that they have produced is in accord with that. 19 THE COURT: Okav. 20 MR. DENNIS: So we think that that cannot be right so 21 that -- I don't think that privilege can stand. 22 THE COURT: Okay. Mr. Chriss? 23 MR. CHRISS: First of all, that's not Sandpiper's 24 position. Secondly, that's not what I'm talking about. 25 simply talking about the convenience of not having to produce

THE COURT: -- Mr. Chriss quoted you or quoted

Lexington here in his letter he submitted, said that Lexington

will not provide any privilege log as to documents after the

commencement of this action. So I think he's just looking to

be kind of -- wants to do the same thing, right, Mr. Dennis?

MR. DENNIS: As to -- your Honor, as to the post-

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litigation privilege log issue which hadn't really been raised by Mr. Chriss prior to the letter, I'm willing to talk to Mr. Chriss and reach an accord on that. But that does not

- address in any way Sandpiper's privilege assertion of work
 product after March 8th of 2018. It just doesn't.
- 3 **THE COURT:** Okay, here --
- 4 MR. DENNIS: We went --
- 5 THE COURT: Can I just butt in real quickly? I know 6 when Lexington submitted their letter, there was several
- 8 responded to some things. When I read Mr. Chriss's letter, it

discovery issues, concerns maybe as to how Plaintiff had

- 9 didn't sound like maybe you all had conferred on those.
- 10 MR. DENNIS: We have, your Honor.
- 11 **THE COURT:** Okay.
- 12 MR. DENNIS: At length. We sent a letter to
- 13 Mr. Chriss on June 10th setting forth almost verbatim the
- 14 issues to the Court. We then sent an email to the Court and
- 15 Mr. Chriss indicating that we thought this might be a necessary
- 16 motion. We met and conferred with Mr. Chriss on June 13th. On
- 17 June 14th, I sent Mr. Chriss a letter confirming Sandpiper's
- 18 position as I understood it, which is that all post-March 8th,
- 19 | 2018 documents among Sandpiper's board of directors, the
- 20 managing agent, and Borden are all work product privilege.
- 21 And, I mean, he confirmed that to us during our meet-and-
- 22 confer.

- 23 **THE COURT:** Okay, let me -- Mr. Chriss, maybe I
- 24 misread that.
- 25 MR. CHRISS: Your Honor, what happened -- maybe

1 there's some confusion. And it's just up to the Court how you 2 want to handle this. What happened was I -- we had had multiple conferences about all of these issues, the ones I 3 mentioned, the one Mr. Dennis -- the ones Mr. Dennis mentioned. 4 5 I am familiar with the Court's standing order. I sent an email 6 to Ms. Cortez asking for a pre-motion conference. She did not 7 hear back from us for a while and sent an email to us saying, do the parties still need a pre-motion conference. Mr. Dennis 8 responded and said, well, I don't know, we have to confer with 10 Mr. Chriss some more. We conferred some more. The issues that 11 I wanted a pre-motion conference on were not resolved so I 12 wrote Ms. Cortez back and said, yes, we still need a pre-motion 13 conference. And when she scheduled the pre-motion conference, 14 what counsel did was take it upon himself to use that as an 15 opportunity to write this ten-page letter about things that he's interested in. But he never asked for a pre-motion 16 17 conference. I'm not prepared to discuss those things with the 18 Court today. I'm here to discuss the two motions that I've 19 indicated I would like to file and I need permission to file. 20 That's --21 THE COURT: Okay. 22 MR. CHRISS: -- the dispute. If the Court wants to, 23 you know, take the whole ball of wax, we can do that. But I'm 24 still trying to cooperate with counsel with respect to all the 25 issues that he's raised.

THE COURT: Okay. So, Mr. Dennis, what was set today, it's what it seemed like, was the pre-motion conference that Plaintiffs had their two issues. You provided some additional information where there's concerns by the defense.

My understanding you guys were still talking and conferring on that, right, Mr. Dennis, or no?

MR. DENNIS: No. On the issues that are raised in my

MR. DENNIS: No. On the issues that are raised in my letter to the Court, and I'm a little surprised at this, but the issues raised in our letter to the Court, Mr. Chriss has told us, those are his positions. There are some other issues that we are working on and that hopefully we'll resolve. But the issues raised in my letter to the Court have been on the table with Mr. Chriss since June 10th. And we did advise the Court that we wanted to have a pre-motion conference on these issues.

THE COURT: Okay, so -- and, Mr. Chriss, maybe you can just respond generally to this. So it appears from reading the first portion of the defense's letter, the concern is this blanket assertion about privileges for documents after the March -- I believe it was the March 8th, 2018, and then what kind of goes along with, there are the different privileges and then who would be covered by that and then whether there was a waiver. And then you kind of go through some alternative arguments there. So do you want to address that, Mr. Chriss, as to the Plaintiff's position?

- MR. CHRISS: I'm happy to address --
- 2 **THE COURT:** Okay.

- 3 MR. CHRISS: -- that, your Honor. In fact, what I'd
- 4 | like to do, if it is -- if the Court please, is I have a
- 5 document dated March the 8th that I'd like to tender to the
- 6 | Court in-camera that --
- 7 **THE COURT:** Okay.
- 8 MR. CHRISS: -- indicates why I believe that March
- 9 the 8th is the date that Sandpiper anticipated litigation.
- 10 **THE COURT:** Right. But I think one of the concerns
- 11 | is just because some -- there may be some privileged documents
- 12 | that are after March 8th, but it's not every document, right?
- 13 MR. CHRISS: That is correct, your Honor.
- 14 THE COURT: Okay, so --
- 15 MR. CHRISS: It is not every document.
- 16 **THE COURT:** -- because that's the theme I was reading
- 17 | through Mr. Dennis's letter here that you're --
- 18 MR. CHRISS: No, what Mr. Dennis is very careful in
- 19 phrasing what he's saying. It is Sandpiper's position that
- 20 | internal communications among members of the board of directors
- 21 and their -- and/or their attorneys and their other agents and
- 22 | consultants after the anticipation of litigation are privileged
- 23 as work product. They're either privileged as work -- they're
- 24 either protected as work product under the Federal rules or
- 25 | they're privileged as work product, which is a different

1 privilege, under this -- under the -- under Texas law, Texas 2 substantive evidentiary law. And what -- and the legal -- just 3 to let the Court know, to get to the nut of the issue, the legal disagreement that we have with counsel is I believe that 4 5 in this diversity of citizenship case, Erie Railroad versus 6 Tompkins requires that the Court recognize Texas State law 7 privileges, not just the attorney-client privilege but also the 8 party communications in anticipation of litigation privilege 9 which is gone -- goes under the same name of work product. But 10 under Texas law, it's specifically defined as a privilege. And 11 as the Court knows, Federal Rule 501, Federal Rule of Evidence 12 501 requires that the Court look to State law in determining 13 what is privileged and what is not. There is no rule of 14 evidence that sets out attorney-client privilege. That you have to look at the Texas rules of evidence to find it. 15 16 thing is true, there's a work product protection under the 17 Federal rules that is narrower than the Texas State work 18 product privilege, and it's that privilege which protects all 19 internal communications between Sandpiper and its agents 20 concerning the subject matter of the litigation. 21 THE COURT: All right, Mr. Dennis? 22 MR. DENNIS: Yes, your Honor. Number one, it's our 23 position that Federal law applies to any work product 24 privilege, and we cited case law to that effect in our letter, 25 and that's the rule as, you know, best we understand it.

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    any --
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              THE COURT: Okay.
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              MR. DENNIS: -- sense, your Honor, because not every
    one of those documents is created for the purpose of this
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    litigation.
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              THE COURT: Mr. Chriss, you're saying everything's
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    protected (indisc.) --
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              MR. CHRISS: I'm saying the internal communications
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    within my client and its agents, representatives, and
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    consultants concerning the subject matter of the litigation are
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    by definition privileged under Texas law.
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              THE COURT: I think you all are talking about two
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    different things maybe.
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              MR. CHRISS: I think so, too, Judge.
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              THE COURT: Yeah.
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              MR. CHRISS: I think so, too.
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              THE COURT: So --
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              MR. DENNIS: I don't think so, your Honor.
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    respectfully disagree. I think we're talking about the same
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    thing.
              THE COURT: You want everything and Mr. Chriss is
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22
    saying some things are privileged, right?
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              MR. DENNIS:
                           Some -- and, yes, your Honor. And in
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    fact some things may in fact be work product privilege. I
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    don't disagree.
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              THE COURT:
                         Okay.
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              MR. DENNIS:
                           But for instance I have, because they've
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    been produced to me, board of director meeting minutes from
    November of 2018 and October of 2018 which on the one hand
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    Mr. Chriss says are privileged, on the other hand, they've been
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               They are clearly internal documents as Mr. Chriss
    produced.
 7
    describes them. They relate to the issues in this case, and
 8
    they are --
 9
              THE COURT: Okay, and he produced them.
10
              MR. DENNIS: -- manifestly not privileged.
11
              THE COURT: And he produced them, right?
12
              MR. DENNIS: But they are --
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              MR. CHRISS: (Indisc.)
14
              MR. DENNIS: -- obviously thousands of others as to
15
    which the position is just being taken with no explanation to
16
    us that they are just privileged because they are after March
17
    8th.
          That's it. That's all the --
18
              THE COURT: Yeah, and --
19
              MR. DENNIS: -- explanation that we've been provided.
20
              THE COURT: And that can't be. I mean, it's not just
21
    because they're after March 8th. They have --
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MR. CHRISS: They're privileged because they're
internal communications. It's exactly what I (indisc.) -THE COURT: Yeah.

MR. CHRISS: -- Judge.

THE COURT: Yeah.

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I'm not -- I've given him invoices, I've MR. CHRISS: given him engineering reports, I've given him bills, I've given him collations of bills. I'm not claiming those things are privileged. I'm simply -- and counsel knows that we have told him, it's in his most recent letter to me, his June 14th letter to me, he knows -- he's asked me, do you think that maybe you produced some of these meeting minutes inadvertently because they're after your March the 8th, 2018 deadline, and I've told him, yes, I need to go back and look at those meeting minutes because that might have been a mistake because we produced hundreds of thousands of documents in this litigation. And so he can't make up his mind. On the one hand, I've waived the privilege because I produced too much; on the other hand, I haven't produced enough. I mean, it's -- we just keep going around in circles --

THE COURT: Yeah, I know.

MR. CHRISS: -- in this case.

THE COURT: And we're going around in circles here, too. So for the pre-motion conference purposes then, we addressed the Plaintiff's two matters before the Court, so I do need to get a date when you might be able to respond,

Mr. Dennis, if you're going to be so inclined to do your supplemental response to interrogatories seven, eight, ten, 11,

- 1 something and it's not enough for the Plaintiffs, they know to 2 go ahead and file their motion to compel. So when -- what
- dates can you give me as to when you're going to look at
- 4 those --

- 5 MR. DENNIS: Looking at that calendar right now, your
- 6 Honor.
- 7 THE COURT: Okay.
- MR. DENNIS: We have July 17th just because we've got 8
- 9 the holiday intervening.
- 10 THE COURT: Okay, --
- 11 MR. CHRISS: That's --
- THE COURT: -- that's fine. And so then we needed to 12
- 13 talk further on the protective orders. Did you all get on the
- 14 same page on that? You all are kind of talking and --
- 15 MR. CHRISS: Well, we're --
- 16 THE COURT: -- different --
- 17 MR. CHRISS: We still need to talk about the reason
- 18 that I'm here in connection with the protective order.
- THE COURT: 19 Okay.
- 20 MR. CHRISS: And that is that after we responded to
- 21 65 requests for documents, what Lexington basically did was
- 22 they sent subpoenas, they served subpoenas -- well, actually
- 23 they sent the subpoenas to me and I agreed to accept service.
- 24 They subpoenaed the president and treasurer of the board of
- 25 directors of my client to produce the same documents that they

- had already requested under Rule 34, and in addition a couple 1 2 of extra categories of documents, one of which was for them to 3 produce all of Sandpiper's communications with me, Ms. Snapka, 4 and any other lawyers in our --5 THE COURT: Okay, and I did see that. I mean, you're 6 asking for attorney-client privilege, Mr. Dennis. 7 MR. DENNIS: No, your Honor, we're not. THE COURT: Okay, but was -- did he quote you 8 9 correctly in the letter? Did Mr. Chriss -- or where is it? 10 MR. DENNIS: The --
- 11 THE COURT: Let me find it.

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- 12 MR. CHRISS: I believe it's on page three of my 13 letter, your Honor.
 - THE COURT: Let me get there because -- "all documents concerning all communications between Sandpiper and," and then there's other things that go on among many others, "Plaintiff's counsel."

MR. DENNIS: Here is the issue, your Honor. appear to be at least some documents which relate to the facts of the case which were copied, for instance, to Mr. Chriss or to another lawyer. Now, we all know that that document would not be privileged, even though it's copied to Mr. Chriss. the same would apply to my client. So that's what we're looking for here. I'm not asking Mr. Chriss to produce communications with his client related to his retention or

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    requested all documents concerning all communications between
 2
    Sandpiper and Plaintiff's counsel. There may be other things
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    in there. And if you did that, that needs to be narrowed,
 4
    right, modified?
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              MR. DENNIS: Well, --
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              MR. CHRISS: I've handed the actual subpoena to --
 7
              MR. DENNIS: Your Honor, we would modify it -- we
 8
    will look at it, your Honor, and narrow that request to the
 9
    extent that it includes documents with counsel.
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              THE COURT: Right, okay. What else on the
11
    protective --
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              MR. DENNIS: But --
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              THE COURT: -- order, Mr. Chriss?
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              MR. CHRISS: Your Honor, since --
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              MR. DENNIS: Well, your --
16
              THE COURT: Oh, --
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              MR. CHRISS: Go ahead.
18
              THE COURT: -- sorry, Mr. Dennis, yes?
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              MR. DENNIS: Yes, your Honor. We served the subpoena
    on only three of the board members. There are dozens of board
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21
    members who were involved in this matter over the years.
22
    when we sent document request to the Sandpiper and we got back
23
    the response, we asked them, well, did you, you know, look for
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    board member emails that are on their own computers? And
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Mr. Chriss said, well, we asked but those documents are not in

1 the possession, custody, or control of the Sandpiper. 2 they're not in the possession, custody, or control of Sandpiper, Sandpiper obviously is not obligated to produce the 3 documents that might be on a board member's computer and their 4 5 emails and so we sent three subpoenas to that small group of folks to make sure that if there are documents that they 6 7 exchanged on their own computers that were not copied to the 8 management company, and it's not disputed that there are such things, that we have a request out there for those. That's all 10 this is. If the documents are not in the possession, custody, 11 or control of Sandpiper, then the only other thing that I can 12 do is to subpoena a nonparty. I don't understand what the 13 difficulty is or why that's inherently improper. 14 MR. CHRISS: Well, it is improper, Judge. And I 15 really -- I hate this he said/she said stuff. I -- you know, 16 I -- this should never happen. But now I have to say that's 17 not what happened. What happened is I responded to the request 18 for production under Rule 34 that were directed to Sandpiper. 19 I asked all of the board members, all of the current board 20 members, to provide me with emails, any emails or 21 communications or documents that they did not copy the 22 management company on so that we wouldn't have it on our server 23 already. I received some documents of that type and I produced 24 them. What then happened is that without any notice to me and

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the president and treasurer and another former officer of my client to produce the exact same documents that they had already asked me to produce. They didn't call me and say, hey, by the way, I think there might be some other computers you need to check or, did you go and check the -- they didn't do that until after they subpoenaed me. And then once they subpoenaed me, I sent them a one word email which was: "Really?" You send me 65 requests for documents, I respond to them, we discussed them, and then you just go behind my back and subpoena the president of my client to get you the same documents; why didn't you just ask me? Well, because this is not the way they do things. And so what I'm asking is that the subpoenas be quashed. We've already decided that counsel's going to have to go back and refine these categories of I've given the Court the subpoena. I'm going to supplement my production of the Rule overbroad. 34 request for documents with the documents that these three individuals have provided me and our providing me. already objected to the subpoenas. Under the rules, the witnesses have already objected to the subpoenas. They're not required to respond to the subpoenas. One of them is out of the country on vacation. And I'm just asking that they be quashed because what's supposed to happen -- and I never -again, I'm being misquoted. What I told counsel after he subpoenaed these people, he asked me, did you go and check

- 1 | their computers. And my response was, I -- this is after they
- 2 | subpoenaed me. I said, yes. I did not -- I said, yes, I asked
- 3 them for documents but I cannot go check their computers
- 4 because their computers are not in the custody, control, or
- 5 possession of my client.
- 6 THE COURT: Okay, so on the -- did you file a motion
- 7 to quash the subpoenas?
- 8 MR. CHRISS: I did not file a --
- THE COURT: Okay.
- 10 MR. CHRISS: -- motion to quash the subpoenas. The
- 11 | reason I'm -- the only reason I'm here asking permission is
- 12 | because I'm a little concerned given the way this litigation is
- 13 | going that a mere objection is not sufficient to preserve my
- 14 claims of privilege and so I would like to file a motion for
- 15 | protection on behalf of Sandpiper, my client, even though
- 16 | they're not the deponent that's been subpoenaed. And the rules
- 17 | say I'm supposed to file that in the districts where compliance
- 18 | is required. And I -- so I -- and I just didn't want to do
- 19 | that, Judge, without checking with you first because of the way
- 20 that your orders read.
- 21 **THE COURT:** Yeah, yeah, no, I think you need to
- 22 | file that and to give the defense a chance to respond and --
- 23 MR. CHRISS: Okay.
- 24 THE COURT: -- then I can sort it out.
- 25 MR. CHRISS: All right, then that's what we'll do.

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              THE COURT: Yes. So we've addressed the motion to
 2
    compel, I mean at least as to how we're going to go along here
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    for now, correct, Mr. Chriss?
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              MR. CHRISS: Yes, your Honor.
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              THE COURT: You're going to file a motion to quash.
              MR. CHRISS: Yes. The Court --
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 7
              THE COURT:
                         Yes.
              MR. CHRISS: -- has dealt with all of the matters I
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 9
    wanted to talk about.
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              THE COURT: Okay. And, Mr. Dennis, what do you need
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    from me?
              MR. DENNIS: Well, your Honor, we think that we
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    should be allowed to file a motion to compel on the issues
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    identified in my June 224th letter to the Court.
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              THE COURT: Okay, go ahead. It's my understanding
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    you all have already conferred, you all talked about it. And -
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              MR. CHRISS: Yes.
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              THE COURT: -- you all can continue conferring. File
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    your motion. Here's the thing, is I hate on -- we need to set
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    time limits or so because if we just go with the local rules
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    and respond 21 days, that just drags out discovery. So you all
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    want to shorten timeframes in terms of responding to motions to
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    compel?
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                           Happy to do that, your Honor.
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              MR. DENNIS: If we could do it after the July 4th
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    holiday, your Honor, --
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              THE COURT: Okay.
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              MR. DENNIS: -- I would appreciate it.
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              THE COURT: So within two weeks?
              MR. DENNIS: Two weeks of today is (indisc.) can we
 6
7
    have until July 12, your Honor?
 8
              THE COURT: That's fine. Mr. Chriss, --
              MR. CHRISS: Yes, your Honor, that's fine.
10
              THE COURT: -- is that all right? Okay, so what else
11
    do I need to do today on the pre-motion conference? Nothing
12
    else from the Plaintiff it sounds like. Mr. Dennis?
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              MR. DENNIS: I -- just checking, your Honor, to make
14
           I think we're covered, your Honor.
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              THE COURT: And you're still going to look at the --
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    modifying the subpoenas, right, in terms of what was requested,
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    right, Mr. Dennis?
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              MR. DENNIS: I have a note with regard to the scope
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    of the request to counsel.
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              THE COURT: Yes.
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              MR. DENNIS: And we're going to go back and look at
22
    that, yes, your Honor.
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              THE COURT: Okay.
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              MR. CHRISS: I --
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              THE COURT:
                          Nothing else?
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              MR. CHRISS: Is that -- are those the subpoenas that
 2
    I'm fixing to file a motion to quash or (indisc.)
              THE COURT: Well, I know. That's why I was asking
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 4
    because I thought he was going to go back. Are you going to go
 5
    back and look at the subpoena itself? Maybe we need a deadline
    to see if Mr. Chriss needs to file a motion to quash.
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 7
              MR. CHRISS: Judge, I'm just -- can I just --
              THE COURT: Just file it, go ahead.
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 9
              MR. CHRISS: -- go ahead and file my motion? I'll
10
    just file it because I --
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              THE COURT: And you all can clean it up and confer
12
    afterward, you know --
13
              MR. CHRISS: Right, exactly.
14
              THE COURT: -- you're just streamlining it --
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              MR. CHRISS: That's exactly.
16
              THE COURT: -- for the Court anyway. So he's going
17
    to go ahead and file the motion to quash. Okay, then I think
18
    we --
19
              MR. DENNIS: Okay, can we just have a date for that,
20
    your Honor?
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              MR. CHRISS: I'll file a motion to quash this week.
22
              MR. DENNIS: Okay.
23
              THE COURT:
                          Okay. Anything else, Mr. Dennis?
              MR. DENNIS: Nothing from this end, your Honor.
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              THE COURT:
                          All right, then I'll wait on the motions,
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    and you all can be excused.
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               MR. CHRISS: Thank you, your Honor.
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               THE COURT: Thank you.
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               MR. DENNIS: Thank you, your Honor.
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               THE COURT: Yes.
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          (This proceeding was adjourned at 12:25 p.m.)
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CERTIF	ICATION
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I certify that the foregoing is a correct transcript from the electronic sound recording of the proceedings in the above-entitled matter.

Sin / Julian

July 22, 2019

Signed

Dated

TONI HUDSON, TRANSCRIBER